



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

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April 14, 2015

Honorable Robert M. Hertzberg, Chair
Senate Committee on Governance and Finance
State Capitol, Room 408
Sacramento, CA 95814

Subject: Revenue Estimate – Sales Tax on Services

Dear Senator Hertzberg:

The Board of Equalization (BOE) has completed its estimate of revenue associated with a general sales and use tax on services industries, which you requested in December 2014. In response to your request, please find the following documents attached:

- Estimate of Potential Revenue to be Derived from Taxation of Currently Non-Taxable Services and supporting spreadsheets
- BOE PowerPoint slide presentation providing high-level overview and explanation of the revenue estimate
- Fact sheet identifying administrative issues associated with a general sales and use tax on services

If you have any questions or need additional information regarding this estimate, please contact Mark Durham, Manager, Research and Statistics Section at (916) 445-0035.

Sincerely,

Michele Pielsticker
Chief, Legislation and Research Division

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Attachments

cc: Mr. Colin Grinnell, Staff Director, Senate Committee on Governance and Finance
Ms. Diane M. Griffiths, Chief of Staff, Honorable Robert Hertzberg
Mr. Michael Bedard, Legislative Director, Honorable Robert Hertzberg